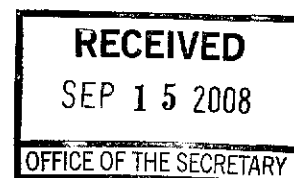


Secretary
 Securities and Exchange Commission
 100 F Street, NE
 Washington, DC 20549-1090



Re: File # S7-14-08

Because of my position in the insurance industry and the fact that my opinions may be considered unpopular by some I am compelled to write this opinion anonymously. I hope it does not affect how it is viewed. Let me be clear. I am not against equity indexed annuities. On the contrary I believe them to be an excellent alternative for consumers, suitability being paramount. I have read your proposal and have the following comments.

First. Do not make this more complicated than it needs to be. The facts surrounding Equity Indexed Annuities are simple. The following are some of the questions that when answered will lead to what I believe is an inevitable conclusion.

How does a non-securities licensed individual explain a securities index like the S & P or NASDAQ without having a securities license and the accompanying knowledge?

How does a non-securities licensed individual counsel a client as to which index to select (S & P vs. Dow vs. Russell vs. NASDAQ etc.) without knowledge of those indexes?

Can a non-securities licensed individual legally discuss the various indexes even if they do have knowledge about those indexes?

How does a non-securities licensed individual direct a client as to when to put money in the fixed interest bucket vs. the indexed buckets of an EIA without a securities license and the accompanying knowledge?

How does a non-securities licensed individual explain the different participation strategies like point-to-point, monthly cap, annual average etc. and which a client should choose without a securities license and the accompanying knowledge?

The issues surrounding the above questions have existed for some time. If you look at the early EIA product sales material there were numerous references to the indexes contained in the brochures. Now instead of referring to the S & P, NASDAQ etc. many sales materials simply say "tied to an index" without discussing what that index is. These materials have moved to a position of nondisclosure, perhaps with the hope that eliminating discussions of and references to specific indexes would allow the products to remain outside the realm of securities.

This is also evidenced by the product name change from Equity Indexed Annuities to Fixed Indexed Annuities by the insurance industry. Even the National Association of Indexed Annuities changed its name to The National Association of Fixed Annuities. The intent seems to have been to divert attention away from the "equity indexed" component while at the same time highlighting the "fixed" aspect.

Simply, if an annuity is indexed and requires the explanation of an index, as it should for full disclosure, a sales representative should be securities licensed to properly explain the pros and cons of indexing to the stock market and the nature of the indexes as well.